

SCOPE METALS GROUP LTD.
AND ITS SUBSIDIARIES

SUMMERY OF INTERIM BALANCE SHEET AND STATEMENT OF
INCOME FOR THE THREE MONTHS ENDED MARCH 31st, 2014

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SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated**

	<u>March 31st</u>		<u>December 31st</u>
	<u>2014</u>	<u>2013</u>	<u>2013</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>Audited</u>
<u>In Thousands of US dollars</u>			
<u>CURRENT ASSETS</u>			
Cash and cash equivalents	52,619	36,022	44,354
Marketable securities	2,951	2,561	2,715
Trade receivables, net	112,806	103,190	103,478
Other receivables	6,462	3,788	4,673
Inventory	<u>148,116</u>	<u>149,030</u>	<u>150,710</u>
	322,954	294,591	305,930
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<u>NON CURRENT ASSETS</u>			
Prepaid leasing payments	31	114	52
Employees benefits assets, net	88	43	97
Property and equipment	78,836	79,798	79,550
Goodwill	1,232	1,243	1,229
Intangible assets	3,310	3,664	3,423
Deffered taxes	<u>1,568</u>	<u>2,702</u>	<u>1,470</u>
	85,065	87,564	85,821
	-----	-----	-----
	408,019	382,155	391,751
	=====	=====	=====

The amounts were translated into US \$ at a rate of 3.487 NIS =1 US\$

SCOPE METALS GROUP LTD.**BALANCE SHEET****Consolidated**

	<u>March 31st</u>		<u>December 31st</u>
	<u>2014</u>	<u>2013</u>	<u>2013</u>
	<u>Unaudited</u>	<u>Unaudited</u>	<u>audited</u>

In Thousands of US dollars**CURRENT LIABILITIES**

Short-term credit from banks	5,757	3,837	3,486
Current maturities of long term loans from banks, debentures and others	68,989	58,671	61,879
Trade payables	37,919	37,941	32,700
Other payables	9,310	7,960	11,183
Dividends payables	<u>6,245</u>	-	<u>5,745</u>
	128,220	108,409	114,993
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NON CURRENT LIABILITIES

Long - term loans from banks and others	128,670	103,905	113,463
Debentures	-	9,643	9,841
Deferred taxes	<u>9,866</u>	<u>10,557</u>	<u>9,932</u>
	138,536	124,105	133,236
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<u>TOTAL LIABILITIES</u>	266,756	232,514	248,229
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EQUITY

Issued share capital	4,223	4,223	4,223
Premium and capital funds	104,570	104,538	104,538
Retained earnings	40,945	47,629	43,514
Treasury stock	-	(62)	(62)
Foreign currency translation fund	<u>(8,475)</u>	<u>(6,687)</u>	<u>(8,691)</u>
	141,263	149,641	143,522
	-----	-----	-----
	408,019	382,155	391,751
	=====	=====	=====

May 14th, 2014

SCOPE METALS GROUP LTD.**STATEMENT OF INCOME****Consolidated**For the three Months ended
March 31For the year ended
December 31**2014**
Unaudited**2013**
Unaudited**2013**
audited**In Thousands of US dollars (except Earnings Per Share data)**

Sales turnover	98,371	91,546	370,677
Cost of goods sold	<u>76,750</u>	<u>70,561</u>	<u>285,703</u>
Gross profit	21,621 -----	20,985 -----	84,974 -----
Selling and marketing expenses	11,480	10,582	43,919
General and administrative expenses	<u>3,672</u>	<u>3,576</u>	<u>14,794</u>
Operating income before other expenses	6,469 -----	6,827 -----	26,261 -----
Other expenses, net	3	24	256
Operating income	<u>6,466</u> -----	<u>6,803</u> -----	<u>26,005</u> -----
Finance income	660	473	1,414
Finance expenses	<u>2,008</u> 1,348	<u>2,017</u> 1,544	<u>8,935</u> 7,521
Income before taxes on income	5,118	5,259	18,484
Taxes on income	<u>1,442</u>	<u>1,242</u>	<u>5,030</u>
Net income	<u>3,676</u> -----	<u>4,017</u> -----	<u>13,454</u> -----
<u>Net income per share attributed to the company's shareholders (NIS)</u>			
Basic and Diluted income per share	<u>0.34</u> =====	<u>0.37</u> =====	<u>1.23</u> =====